

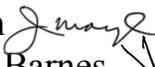
I Mina'trentai Sais Na Liheslaturan Guåhan
BILL STATUS

| BILL NO. | SPONSOR | TITLE | DATE INTRODUCED | DATE REFERRED | CMTE REFERRED | PUBLIC HEARING DATE | DATE COMMITTEE REPORT FILED | FISCAL NOTES | NOTES |
|-------------|--|---|---------------------|---------------|---------------|---------------------|-----------------------------|--------------|-------|
| 66-36 (COR) | James C. Moylan Tina Rose Muña Barnes | AN ACT TO AMEND § 58206 FROM ARTICLE 2 OF CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED, RELATIVE TO MODIFYING THE SUNSET PROVISION OF THE "SPECIAL QUALIFYING CERTIFICATE; 1,600 HOTEL ROOMS DEVELOPMENT" PROGRAM. | 3/2/21 9:49 a.m. | | | | | | |

I MINA'TRENTAI SAIS NA LIHESLATURAN GUÅHAN
2021 (FIRST) Regular Session

Bill No. 66-36 (COR)

Introduced by:

James C. Moylan 
Tina Rose Muna Barnes 

**AN ACT TO *AMEND* § 58206 FROM ARTICLE 2 OF
CHAPTER 58, TITLE 12, GUAM CODE ANNOTATED,
RELATIVE TO MODIFYING THE SUNSET PROVISION
OF THE “SPECIAL QUALIFYING CERTIFICATE; 1,600
HOTEL ROOMS DEVELOPMENT” PROGRAM.**

1 **BE IT ENACTED BY THE PEOPLE OF GUAM:**

2 **Section 1. Legislative Findings and Intent.** *I Liheslaturan Guåhan* finds
3 that on December 31, 2014, former Governor Eddie B. Calvo enacted Public Law
4 32-233 which created a “Special Qualifying Certificate” to develop an additional
5 1,600 Hotel Rooms on Guam. At the time, the visitor industry stated that there
6 were many opportunity losses for Guam’s tourism as the supply of hotel rooms
7 was not meeting the demand of the island’s arrival numbers. However, because of
8 the limitations with available manpower to construct these rooms, a special
9 program was created to attract investors.

10 PL 32-233, which was originally authored by former Senator Dennis
11 Rodriguez Jr., established a five-year Sunset Provision for the program. However,
12 the enacted measure did include language to provide the Guam Economic
13 Development Authority’s (GEDA) Board of Directors the opportunity to extend
14 the program for an additional two years, if the 1,600 rooms were not developed
15 within that timeframe. On December 31, 2019, the “Special Qualifying

1 Certificate; 1,600 Hotel Rooms Development” program expired. Because only one
2 entity was able to successfully attain the qualifying certificate with the intent of
3 building less than 350 rooms, the GEDA Board availed the two-year extension
4 pursuant to the process established in the statute.

5 On December 31, 2021, the two-year extension for the program shall expire.
6 While Guam’s economy, inclusive of our tourism industry, is currently in a
7 standstill due to the global crisis, there is much optimism that our visitor arrival
8 numbers will get back to the pre-pandemic numbers over the next three to five
9 years. There is also an opportunity for investors to take this time to seek the
10 financing for preparation of the potential demand of additional hotel rooms for the
11 near future. This is also an ideal time for existing hotels to consider expanding
12 their inventory of rooms since occupancy numbers are low, thus reducing any
13 adverse convenience impacts for guests.

14 Therefore, it is paramount that this Special Qualifying Certificate program
15 be provided an extension of another three years, along with the two-year extension
16 opportunity by the GEDA Board, with the objectives of getting to the goal of 1,600
17 additional hotel rooms. The program will automatically expire if the total rooms
18 mandated by the Act are fulfilled prior to the three years. Likewise, any new
19 construction in 2022 and beyond, which was created by the extension would result
20 in many new jobs and an additional tax, both of which would help Guam’s
21 economy.

22 **Section 2.** § 58206 from Article 2, of Chapter 58, Title 12, Guam Code
23 Annotated is hereby *amended* to read as follows:

24 **§ 58206. “Sunset” Provision.**

25 This Article shall take effect on its approval by *I Maga’lahen Guåhan* and
26 shall remain in effect until the earlier of:

27 (a) ~~five (5) years~~ December 31, 2024; or

1 (b) 1,600 hotel rooms have been committed to be built; or

2 (c) a China Visa Waiver or China Visa Parole declaration has been
3 approved for Guam; upon which period this Article shall automatically be
4 deemed repealed; provided, however, that the GEDA Board, at its discretion,
5 with input from I Liheslatura (the Legislature), the visitor industry, the
6 Administration, and the community as a whole, will re-examine the
7 effectiveness and need of the program to determine if it should be extended,
8 and may extend the effectiveness of this Article an additional two (2) years
9 by adopting a resolution to such effect prior to the expiration date. Any QC
10 issued under the conditions of this Article shall remain in full force and
11 effect until its particular term expires or it is canceled on other grounds.

12 **Section 3. Severability.** If any provision of this Act or its application to
13 any person or circumstance is found to be invalid or contrary to law, such
14 invalidity *shall not* affect other provisions or applications of this Act that can be
15 given effect without the invalid provision or application, and to this end the
16 provisions of this Act are severable.

17 **Section 4. Effective Date.** This Act *shall* become effective immediately
18 upon enactment.